



STATE OF MICHIGAN
DEPARTMENT OF COMMUNITY HEALTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JANET OLSZEWSKI
DIRECTOR

March 17, 2004

Ms. Jean Sheil
Director
Family and Children's Health Programs
Centers for Medicaid and State Operations
7500 Security Blvd.
Baltimore, MD 21244-1840

Dear Ms. Shiel:

This letter is in regard to Michigan's recently approved HIFA Waiver, commonly referred to as the Adult Benefits Waiver. Through discussions with CMS staff, it has come to our attention that a factual correction to the January 16, 2004 approval letter from Dennis Smith to Janet Olszewski is necessary.

One phrase in the fourth paragraph states that Michigan currently covers parents up to 133% of FPL. This is incorrect. Michigan's income limits for parents are generally aligned with historic AFDC payment standards after income disregards and not directly related to federal poverty levels. Even though it is not possible to make a generalization about a qualifying level of gross income as a percentage of federal poverty, there are certainly instances where an applicant's income could exceed 100% of FPL and become Medicaid eligible in a parent category.

Michigan's Medicaid program has a solid foundation of coverage for children and families, one that we are striving to maintain in a very difficult economic climate. Today more than one in eight of Michigan's citizens are eligible for Medicaid and SCHIP with the vast majority being children and parents (or caretaker relatives).

Federal approval of Michigan's HIFA Waiver was enthusiastically welcomed by the childless adults directly affected by the coverage and by Michigan's health care community, particularly the safety net providers. We very much appreciate CMS' partnership in meeting the health care needs of Michigan's disadvantaged citizens.

Sincerely,

Stephen Fitton, Director
Bureau of Medicaid Policy and Actuarial Services

Cc: Paul Reinhart, Director, Medical Services Administration

SF:bjh